THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Merchandise exports increased from US $ 103.1 billion during 2005-06 to US $ 124.6 billion in 2006-07 recording a growth of 21% during the last financial year. Data for the current financial year beginning April, 2007 is not available.

(b) According to the latest disaggregated data available for exports by principal commodities for the period April—Dec. 2006-07, Petroleum Products, Engineering Goods (including Machinery and Instruments, Manufacture of Metals, Primary and Semi-finished Iron and Steel and Non-Ferrous Metals); Drugs, Pharmaceuticals and Fine chemicals; and Electronic Goods were some of the major items that, in response to international demand, recorded an export growth of 20% or more.

(c) Trade deficit in 2006-07 was US $ 56.74 billion compared with US $ 40.37 billion in 2005-06.

(d) The Government does not propose to artificially restrict trade deficit as this may have an adverse impact on inflation.

FDI in Tobacco sector

3662. SHRI V. HANUMANTHA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any foreign companies applied for FDI in the Tobacco sector in 2005-06 and 2006-07.

(b) if so, the details of such companies and their country of origin;

(c) what special help such foreign companies have offered for Indian tobacco farmers;

(d) whether Government and Tobacco Board would guarantee the offers and promises; and

(e) the steps proposed to help our farmers and protect them from being exploited?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (d) As per the extant policy Foreign

Direct Investment (FDI) up to 100% is allowed, with prior Government approval, in the tobacco sector for manufacture of cigars and cigarettes of tobacco products, subject to industrial licence and conditions thereof under the Industries (Development & Regulation) Act, 1951. Details of foreign companies which applied to the Foreign Investment Promotion Board for FDI in tobacco sector during 2005-06 and 2006-07 are given in the Statement (See below).

(e) While formulating the policy on FDI, interests of all stakeholders are taken into account.

Statement

Details of foreign companies which applied for FDI

Sl. No.	Name of Company/Country of Origin	Proposed Activity	Status
1.	M/s. Viking Swed-lnd Products Pvt. Ltd., Swedish Promoters	Manufacture of tobacco snuff and market it through distributors.	Proposal rejected
2.	M/s. Hari Sundar Tobacco Threshers Pvt. Ltd. M/s Universal Leaf Tobacco Company, Inc., USA	Process raw tobacco	Proposal rejected
3.	M/s Universal Leaf Tobacco Company, Inc., USA	Process raw tobacco	Proposal rejected

FDI guidelines

3663. MS. SUSHILA TIRIYA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is a proposal to frame guidelines to tackle the Foreign Direct Investments; and

(b) if so, the details thereof?